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July 24, 2012

Mr. Jared Blumenfeld
Region 9 Administrator
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, California 94105

RE: REGIONAL HAZE RULE AND EPA'S PROPOSED FEDERAL IMPLEMENTATION
PLAN

Dear Mr. Blumenfeld:

On July 23, 2012, Arizona Corporation Commission Chairman Gary Pierce, along with Commissioners Bob Stump and Brenda Burns, wrote you a letter regarding the Environmental Protection Agency's ("EPA") Federal Implementation Plan ("FIP") dealing with Regional Haze. This July 23rd letter could be viewed as implying that the Arizona Corporation Commission believes that the EPA's actions are inappropriate and beyond its legal authority.

I want to dispel any impression that I have reached an opinion that the EPA's FIP is unlawful and would inappropriately overrule Arizona's State Implementation Plan ("SIP"). However, I am concerned with issues related to Arizona's ability to make decisions regarding resources within state boundaries and the potential for increased costs to Arizona electric consumers without providing perceptible visibility improvements.

The Cholla, Coronado and Apache generating stations provide a major portion of the electric power used by Arizona citizens. Therefore, I agree with my fellow Commissioners that providing merely an additional two weeks for public comment is inadequate for such important issues. The EPA should implement perceptible visibility improvement rules and requirements only after it has provided Arizona citizens with an opportunity for meaningful, substantial and sufficient public input in these matters.

In addition, the EPA should do all it can to coordinate with the Arizona Department of Environmental Quality to ensure that the EPA's FIP works with and not against Arizona's SIP. This coordination should strive to provide Arizona's citizens with meaningful and perceptible visibility improvements in a cost effective manner, especially during these trying and difficult economic times.

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Thank you for your consideration of this letter. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Sandra D. Kennedy". The signature is fluid and cursive, with a large, stylized initial "S".

Sandra D. Kennedy
Corporation Commissioner